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Item No. 3 on the Agenda: Draft Budget for 2009 - First estimates

(Memorandum of the Secretariat)

<i>Summary</i>	<i>First estimates of receipts and expenditure for 2009</i>
<i>Action requested</i>	<i>Opinion of the members of the Finance Committee with regard to the first estimates of the Secretariat prior to the formal establishment of the draft Budget by the Governing Council at its 87th session (Rome, 21/23 April 2008)</i>
<i>Related documents</i>	<i>Strategic Plan adopted by the General Assembly at its 61st session (Rome, 29 November 2007) (doc. A.G.(61)4); Note Verbale concerning the Work Programme 2009-2011 (doc. 280 WP) (Appendix II)</i>

Introduction

1. In accordance with Article 31 of the Regulations, in its new version amended by the General Assembly at its 61st session, the Secretariat has prepared first estimates for a draft Budget for the financial year 2009, which are set out in Appendix I to this document. In the light of comments by the Finance Committee, these estimates will be submitted to the Governing Council at its 87th session, which will be held in Rome from 21 to 23 April 2008. The Council, on the basis of these first estimates, will establish the draft Budget for 2009, to be communicated to the member Governments for comments, to be submitted before 30 September 2008. The draft Budget will then be submitted, together with any comments by the Governments, to the Finance Committee at its 64th session in Rome, at the beginning of October 2008. The Committee will at that time give its opinion of the draft Budget before its submission to the General Assembly at its 62nd session in Rome at the end of November 2008.

2. Reference is made to the decision of the general Assembly, at its 61st session (Rome, 29 November 2007), to adopt the Strategic Plan (doc. A.G.(61) 4). As regards the implications of any decision by the Finance Committee with respect to the draft Budget for the financial year 2009, the Secretariat draws the Committee's attention to the fact that the Governing Council will discuss the future Work Programme at its 87th session (Rome, 21-23 April 2008) and that the Council's proposals will be transmitted to the General Assembly, for adoption, at its 62nd session in November/December 2008. The Note Verbale inviting Governments to submit proposals regarding the future Work Programme is attached to this document as Appendix II.

3. The Secretariat is pleased to note that some member States have succeeded in considerably reducing their arrears compared to the situation in 2007 (see Appendix III to this document). Brazil, in particular, has settled all its arrears; Argentina has paid its contribution for 2007. This has encouraged the Secretariat to persevere in its efforts vis-à-vis the competent authorities of Governments that have fallen behind to settle their dues; the position of some Governments remains critical and is a cause for keen concern. The Secretariat wishes to invite the Finance Committee to take note of these results, and of the Secretariat's determination to pursue this course of action in the months to come.

4. At the time of drafting this document (mid February 2008), the final accounts for the financial year 2007 were not yet available. The Secretariat can, however, confirm that there will be some carryover to the financial year 2008, some savings having been made and some arrears having been settled.

Expenditure

5. The Secretariat proposes an increase in expenditure for 2009, on the following grounds.

6. As to Chapters 2 (Remunerations) and 3 (Social security costs), the projected increase is due to:

(a) the annual increase in staff remuneration; the Secretariat forecasts an increase of around 3%, one part of which covers the increases provided for by the system operated by the Co-ordinated Organisations to which the Institute belongs, the other part covering increases connected with career advances (for a complete list of the members of the staff, see Appendix IV to this document);

(b) the fact that the Secretary-General will be leaving the Institute on 30 September 2008. A selection procedure for a new Secretary-General was launched by the Governing Council at its 86th session. At the time of drafting this document, a number of applicants had been selected, and the Governing Council is to make its final choice at its 87th session.

7. As a consequence, the Secretariat is not able to put a precise figure to the remuneration of the new Secretary-General in Chapter 2; that figure will depend on the new incumbent's nationality (expatriation allowance for a non-Italian national or a foreigner not resident in Italy at the time of taking office) and on the number of dependent family members. The Secretariat has therefore deemed it prudent to include in Chapter 2 a remuneration reflecting that of a non-resident, non-Italian Secretary-General, with two dependents (one spouse and one child). The amount involved could accordingly be lower.

8. As to Chapter 3, the Secretariat has deemed it wise to include the social security expenditure that would be due if the new Secretary-General were to be included in the Italian social security system (INPS); this amount might, of course, be lower (- € 50,000) if the new Secretary-General were to be in the same position as the current Secretary-General, that is to say, if the country of origin, or his/her Organisation, were to take on the social security expenses.

9. As to changes in the Budget allocations for items other than Chapter 2, Article 1, and Chapter 3, the Secretariat has been compelled to propose increases in respect of certain Chapters. Inflation and cost rises have gradually, indeed, in some cases, dramatically, increased certain items of expenditure over the past few years. The Secretariat accordingly believes that certain Chapters need adjusting.

10. In Chapter 6, the Secretariat proposes an increase concerning Articles 2 and 3. Article 2 concerns telephone, fax and Internet expenditure; mindful of the need for a reliable Internet communications system, including public IP access for the Library and other services, the Institute

has entered into a new, more efficient contract. The Institute has, however, also implemented a system to reduce the cost of telephone communications, in particular with correspondents abroad, the results of which still need to be assessed. Article 3 concerns postal charges. The Institute having exceeded the ceiling for these two items for two years running due to tariff increases, the Secretariat accordingly proposes to raise these ceilings. It should be recalled that postal charges include postage for the dispatch of the Institute's publications to depository libraries in the member States and to subscribers, who also generate income.

11. Article 6 of Chapter 7 includes local taxes. In particular, some local taxes, which the Institute is held to pay since the headquarters agreement only exempts the Institute from national taxes, have risen considerably over the past years. Accordingly, the Secretariat proposes to increase this item by € 5,000.

12. Article 7 of Chapter 7 covers the cost of external staff (specifically, two persons employed to clean the Institute's premises, including the Library, and the company which occasionally looks after the garden). These costs have risen, and the Secretariat accordingly suggests an increase of € 2,000 for this item.

13. Chapter 9, which concerns the Library, has not changed for years, as the Committee is aware. The Secretariat has attempted to preserve the holdings of the Library without increasing the Budget, by means of exchanges and gifts. The Secretariat is now proposing an increase of € 2,500 for Article 2, which covers the binding of volumes of journals. As to the Library software, the Library catalogue is now available on line and offers search options using different parameters, a most useful tool since it may be accessed from anywhere at any moment in time. However, this important achievement has increased costs, to cover data storage, updating, etc., all operations that are far more complex than those connected with a simple electronic catalogue that can only be accessed *in situ*. The Secretariat accordingly proposes an increase of € 7,000 for this item.

14. Overall, the Secretariat would therefore propose expenditure for 2009 amounting to € 2,290,850.00, representing an increase of 3.7% in comparison with the 2008 Budget.

Receipts

15. The Secretariat would propose that the proposed expenditure for 2009 be covered as follows:

Estimated balance from the 2008 financial year	80,000.00
Statutory contribution of Italy	265,000.00
Statutory contributions of other member States	1,783,056.00
Extra-statutory contribution from United Kingdom	65,450.00
Other receipts	67,344.00
Various receipts	30,000.00

16. The balance that the Secretariat would anticipate being carried over from the 2008 financial year is based on the fact that the Institute is striving to follow the recommendations of the Finance Committee and of the General Assembly to limit expenditure. The Secretariat is also seeking to obtain financing from private sources for particular projects, i.e. the scholarship programme, the library and the promotion of UNIDROIT instruments.

17. The contribution of Italy is an estimate made by the Secretariat.

18. The Secretariat would propose that the statutory contributions of member States other than Italy for 2009 be calculated on the basis of a unit of contribution amounting to € **2,456** representing an increase of **3.54%** over the unit of contribution approved by the General Assembly for the statutory contributions of member States other than Italy for 2008 (€ 2,372).

19. The extra-statutory contribution of the United Kingdom is based on a letter from Mr Anthony Inglese, member of the Governing Council, announcing that he is prepared to offer, from the budget of the Department for Business Enterprise and Regulatory Reform, the amount of £ 50,000 towards the funding, for the fourth year, of the post of Deputy Secretary General carrying the function of Chief Administrator. The Secretariat wishes to express its gratitude for this generous offer.

20. Under this proposal, the statutory contributions of member States would rise in comparison with the year 2008 as follows:

Category I	from € 118,600	to € 122,800	+ € 4,200
Category II	from € 52,184	to € 54,032	+ € 1,848
Category III	from € 42,696	to € 44,208	+ € 1,512
Category IV	from € 30,836	to € 31,928	+ € 1,092
Category V	from € 26,092	to € 27,016	+ € 924
Category VI	from € 21,384	to € 22,104	+ € 756
Category VII	from € 18,976	to € 19,648	+ € 672
Category VIII	from € 11,860	to € 12,280	+ € 420
Special Category	from € 2,372	to € 2,456	+ € 84

21. Although the Secretariat has underway negotiations with some States who have manifested their interest in becoming members of the Institute, at the time of writing the Secretariat believes that it is not prudent to count on an additional member State's contribution in 2009.

22. The miscellaneous receipts that the Secretariat would anticipate receiving in 2009 are made up of € 5,000 by way of interest, € 12,000 by way of the contributions to overhead expenses to be made by the Office for Italy and San Marino of the International Labour Organization in return for use of certain services connected with the use of certain parts of its premises and € 50,344 by way of sales of the Institute's publications.

23. The Secretariat has included € 30,000 in the various receipts (Chapter 3), corresponding to sums given by private donors for some services rendered by the Institute, i.e. by the databases

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24. The Secretariat would invite the Finance Committee to express its opinion on the draft Budget for 2009 set out in Appendix I to this document.

APPENDIX I

DRAFT BUDGET FOR 2009

FIRST ESTIMATES

RECEIPTS (in Euro)

	Budget 2008	Budget 2009
Estimated balance on 1 January ¹	70,000.00	80,000.00
Chapter 1: Contributions of member States		
Art. 1 (Italian Government) ²	270,000.00	265,000.00
Art. 2 (Other member States) ³	1,722,072.00	1,783,056.00
Extra-Budgetary contribution from United Kingdom ⁴	74,153.00	65,450.00
Chapter 2: Other receipts:		
Art. 1 (Interest)	5,000.00	5,000.00
Art. 2 (Contributions to overhead expenses) ⁵	10,000.00	12,000.00
Art. 3 (Sale of publications) ⁶	42,778.00	50,344.00
Chapter 3: Various receipts ⁷	15,000.00	30,000.00
Total of receipts	2,209,003.00	2,290,850.00

EXPLANATORY NOTES TO THE FIRST ESTIMATES - RECEIPTS

- 1 The balance that the Secretariat would anticipate being carried over from the financial year 2007 is predicated on the assumption of the Institute making economies.
- 2 This receipt is an estimate of the Secretariat based on the contribution of the Italian Government in 2007.
- 3 The Secretariat has calculated this receipt on the basis of a unit of contribution amounting to **€ 2,456**, representing an increase of **3.54%** in comparison with 2008 (€ 2,372). The Secretariat has not deemed prudent to include the contribution of new member States, although interest in joining the Institute has been shown by some States. See **§ 21** of the Introduction.
- 4 **This receipt is based on an offer of extra-statutory contribution made by Mr Anthony Inglese, member of the UNIDROIT Governing Council, on behalf of the Government of the United Kingdom; see § 19 of the Introduction.**
- 5 This receipt represents the contribution to overhead expenses made by the Office for Italy and San Marino of the International Labour Organization in return for use of certain services connected with the use of parts of its premises.
- 6 This receipt includes the sale of the Uniform Law Review as well as the sale of other publications of the Institute.
- 7 These receipts are contributions from private donors for some services rendered by the Institute, i.e. the databases.

EXPENDITURE (in Euro)

	2008	2009
Chapter 1 – Reimbursement of expenses		
Art. 1 (Governing Council and Permanent Committee) ¹	55,000.00	55,000.00
Art. 4 (Auditor)	3,500.00	3,500.00
Art. 5 (Committees of Experts) ²	65,000.00	65,000.00
Art. 6 (Official journey of representatives and staff) ³	28,000.00	28,000.00
Total	151,500.00	151,500.00
Chapter 2 – Salaries and allowances		
Art.1 (Salaries of Categories A, B and C staff and consultant) ⁴	1,305,000.00	1,310,000.00
Art. 2 (Remuneration for occasional collaborators) ⁵	17,500.00	20,000.00
Total	1,322,500.00	1,330,000.00
Chapter 3 – Social security charges		
Art. 1 (Insurance against disablement, old age and sickness) ⁶	344,153.00	390,000.00
Art. 2 (Accidents' insurance) ⁷	8,500.00	8,500.00
Total	352,653.00	398,500.00
Chapter 4		
Compensation retired members of staff ⁸	2,500.00	2,500.00
Chapter 5		
Publications' printing costs ⁹	31,500.00	31,500.00
Chapter 6 – Administrative expenses		
Art. 1 (Stationery)	21,000.00	21,000.00
Art. 2 (Telephone, fax and Internet)	23,000.00	30,000.00
Art. 3 (Postage) ¹⁰	20,000.00	25,000.00
Art. 4 (Entertainment and representation)	4,650.00	4,650.00
Art. 5 (Interpreters)	27,500.00	27,500.00
Art. 6 (Miscellaneous)	6,700.00	6,700.00
Total	102,850.00	114,850.00
Chapter 7 – Maintenance costs		
Art. 1 (Electricity)	14,500.00	14,500.00
Art. 2 (Heating)	20,000.00	20,000.00
Art. 3 (Water)	7,000.00	7,000.00
Art. 4 (Insurance of premises)	11,500.00	11,500.00
Art. 5 (Office equipment)	24,000.00	24,000.00
Art. 6 (Upkeep of building, local taxes)	15,000.00	20,000.00
Art. 7 (Labour costs) ¹¹	25,000.00	27,000.00
Total	117,000.00	124,000.00
Chapter 9 - Library		
Art. 1 (Purchase of books) ¹²	92,000.00	92,000.00
Art. 2 (Binding)	6,500.00	9,000.00
Art. 3 (Software)	15,000.00	22,000.00
Total	113,500.00	123,000.00
Chapter 10		
Promotion of UNIDROIT instruments	5,000.00	5,000.00
Chapter 11		
Legal co-operation programme ¹³	10,000.00	10,000.00
Total ordinary expenditure	2,209,003.00	2,290,850.00

EXPLANATORY NOTES TO THE FIRST ESTIMATES - EXPENDITURE

- 1 This sum is designed to cover the travel and subsistence expenses incurred by the members of the Governing Council and of the Permanent Committee in their attendance of the sessions of those bodies, to be held in spring 2009.
- 2 This sum is designed to cover the expenditure that will be incurred by the Institute in organising the meetings of the committees of experts and other meetings associated with the current projects of the Institute. The Secretariat wishes to note that it makes every effort to obtain external financing to cover part of these expenses.
- 3 This sum is designed to cover the travel and subsistence expenses incurred by representatives of the Institute, members of staff and collaborators in connection with official travel on behalf of the Institute, in all cases other than those covered by Chapter 10 (Promotion of UNIDROIT instruments). These missions are accomplished for a number of purposes, whether to further awareness of the Institute's work in general and, where appropriate, to encourage accession to the Statute of the Institute, to attend meetings organised by the Institute's sister Organisations, the Hague Conference on Private International Law and the United Nations Commission on International Trade Law, or in respect of the Institute's ongoing work.
- 4 This Article covers the salaries and allowances of the Secretary-General (for the explanation of the method followed to calculate the retribution of the new Secretary General, see § 7 of the Introduction), the two Deputy Secretaries-General, three other full-time and one part-time Category A professional members of staff, one *hors cadre* officer in charge of the depositary function, eight full-time and one part-time Category B administrative, secretarial and library members of staff, three full-time Category C members of staff, as well as the salary of a consultant (for a complete list of the members of the staff, see Appendix IV to this document).

The salaries and allowances of Category A members of staff, pursuant to a decision taken by the General Assembly at its 36th session, held in Rome on 12 December 1985, follow the Salaries Scales of the Co-ordinated Organisations, albeit with increases being reduced by an amount equal to 20% and delayed in their application by six months, whereas the salaries and allowances of Categories B and C members of staff follow a scheme, involving amendment of Articles 41 and 67 of the Regulations, approved by the General Assembly at its 38th session, held in Rome on 28 November 1985. Under this scheme, the salaries and allowances of Categories B and C members of staff are closely modelled on the Salaries Scales of the Co-ordinated Organisations, albeit on a considerably reduced scale.
- 5 In recent years this Article has essentially covered the Secretariat's needs for external technical support, for the updating and maintenance of the Institute's stock of computers and software or for special collaborations in transcription of materials and translation.
- 6 This Article covers the insurance of all Categories A, B and C members of staff against disablement, old age and sickness. With a few exceptions, all members of staff are insured for these purposes with the Italian social security system (I.N.P.S.). The increase includes the social charges of the new Secretary General; see § 8 of the Introduction.
- 7 This Article covers the insurance of all Categories A, B and C members of staff against accidents. All members of staff are insured for this purpose with a private Italian insurance company.

- 8 This Chapter covers the payments made to certain retired members of staff to cover the periods, in the past, during which they were not covered for social security purposes. As time goes on and the members of staff in question become fewer and fewer in number, it will be possible to reduce expenditure under this Chapter. Currently, it covers the payments made to only two retired members of staff.
- 9 This Chapter is designed to cover the cost of printing both the four issues of the *Uniform Law Review* that appear annually and of some official documents of the legislative instruments of the Institute (Acts and Proceedings of Conferences etc).
- 10 This Article includes the cost for Internet. For the increase of this Article, see § 10 of the Introduction.
- 11 This Article covers expenditure for posting the Institute's correspondence and publications, including the publications sold by the Institute, which produce receipts.
- 12 The proposed increase is due to the considerable rise of local taxes, which the Institute is held to pay since the headquarters agreement only exempts the Institute from national taxes. See § 11 of the Introduction.
- 13 This Article covers the cost of the two cleaners and the company which occasionally looks after the garden. None of these are members of staff: they are all outside contractors.
- 14 This Chapter covers the cost of acquisitions for the library's stock of books and the maintenance of its subscriptions to law journals, as well as the cost of binding. It is to be noted that, with the ever escalating cost of both, the library is necessarily forced severely to restrict its new acquisitions. It has to be added that the publication of the *Uniform Law Review* permits the library to count on exchanges (170 publications) and on complimentary copies sent by the publisher and/or the author wishing to see a book-review published in the *Review*. The increase of expenditure for the software is due to the on-line catalogue; see § 13 of the Introduction.
- 15 This Chapter covers the cost of the Institute's contribution to its scholarships programme for lawyers from developing countries and countries engaged in the transition to a market economy. Some other scholarships are provided by special contributions of member States or of private donors.

Overall, the Secretariat proposes that the expenditure for 2009 amounts to € 2,290,850, which represents an increase of 3.7% as compared with the Budget for 2008.

280/WP

NOTE VERBALE

Re: new triennial Work Programme (2009-2011)

The International Institute for the Unification of Private Law (UNIDROIT) presents its compliments to the Embassy of in Italy and has the honour to transmit attached hereto copy of a Secretariat document providing information regarding the status of implementation, as of 15 January 2008, of the UNIDROIT Work Programme for the triennial period 2006-2008 as adopted by the General Assembly at its 59th session. The purpose of the information is to initiate consultations for the adoption of the new triennial Work Programme (2009-2011) by the General Assembly in late 2008.

Over the past three years, work has been focused on and projects were completed in four areas.

Firstly, Item 1 of the wider-ranging project Transactions on Transnational and Connected Capital Markets, the draft *Convention regarding Substantive Rules on Intermediated Securities* which has been transmitted to a Diplomatic Conference, for adoption. The Conference will be held from 1 to 13 September 2008 in Geneva (Switzerland).

As the Government of may recall, the General Assembly authorised the Secretariat to set up, subject to the availability of the necessary resources, (a) Study Group(s) on Items 2 to 5 of the capital-markets project. Item 2, which was accorded the highest priority, bears the tentative title *Legislative Guide on Principles and Rules Capable of Enhancing Trading in Securities on Emerging Markets*.

Secondly, the equipment-specific protocols to the 2001 *Cape Town Convention on International Interests in Mobile Equipment* were developed further. The Convention has 20 Contracting States and the Aircraft Protocol 19. The *Protocol on Matters specific to Railway Rolling Stock* was adopted on 23 February 2007, and the international registry for interests in rolling stock may be operational as soon as in the second quarter of 2008. Informal meetings in 2006/2007 and a meeting of the Steering Committee in early May 2008 will enable Governments to reconvene and finalise the *preliminary draft Space Protocol* in late 2008 or early 2009. Preliminary research has been carried out with respect to a proposed protocol on secured financing of high-value agricultural, mining and construction equipment.

Thirdly, invitations for the 2nd session of the Committee of governmental experts for the preparation of a *Model Law on Commercial Leasing* (Muscat, Oman, 6 to 9 April 2008) were sent out, and it is planned that a Joint Session of the Committee and the General Assembly will adopt the Model Law on Leasing in late 2008.

Fourthly, a Working Group for the preparation of five additional chapters of the *UNIDROIT Principles of International Commercial Contracts* has held two sessions and is expected to finalise its work on the enlarged edition in 2010.

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To the Embassy of in Italy
ROME

Furthermore, at the request of the Government of Italy supported by the Governing Council at its 86th session, preliminary research is being conducted by independent researchers on questions of liability for malfunctions of satellite-based navigation and other services.

In view of member Governments', the Governing Council's and the Secretariat's desire to keep the Institute's work focuses on those areas where UNIDROIT has acquired special expertise and to establish clear priorities, the Secretariat would recommend to continue work in the aforementioned subject-matter areas (i.e. credit, finance, capital markets, general law of contracts and, possibly, liability for space-based services) and caution against adding too great a number of new items or new subject-matter areas.

The Secretariat would submit that, apart from work in progress and depending on the availability of resources, the triennial Work Programme 2009-2011 may include:

- (1) Carefully selected additional items of the capital-markets work as already approved, but adapted in light of recommendations made by delegations and Observers to the intermediated-securities sessions as well as the UNIDROIT Advisory Board on work in this area (i.e. Emerging Markets Guide; Convention on Netting in Financial Services; rights of foreign shareholders; corporate action processing, the latter taking Article 8 of the draft Convention on Intermediated Securities as point of departure).
- (2) Determined promotion of the Convention and the Aircraft and Rail Protocols. On condition that sufficiently strong interest is shown and resources are made available, further work, in particular setting up of a Study Group, on a fourth protocol to the Cape Town Convention regarding secured financing of agricultural, mining and construction equipment.
- (3) Work on liability for malfunction of navigation systems and other satellite-based services.

As to the Organisation's objective to ensure that, in principle, at least one project be geared to the needs of developing countries feature on the Work Programme at all times, the Secretariat would submit that the emerging-markets item (*supra*, 1), a fourth protocol to the Cape Town Convention or liability for certain space-based services that are of particular importance for developing countries (meteorology, disaster forecasting etc.) might be considered to satisfy that criterion.

The General Assembly will be invited to formally approve the triennial Work Programme as proposed by the Governing Council at its 62nd session, to be held in November/December 2008. The Governing Council will discuss its proposals at its 87th session, to be held from 21 to 23 April 2008, and Governments may wish to indicate their specific priorities with regard to the above mentioned or indeed as yet unmentioned items.

In these circumstances, the Secretariat would be most grateful if the Embassy of in Italy could bring this Note Verbale as well as the attached document to the attention of the competent Authorities of its Government and to convey to the Secretariat, if possible no later than 20 March 2008, any comments and proposals on the Work Programme for the 2009-2011 triennium.

UNIDROIT finally avails itself of this opportunity to renew to the Embassy of in Italy the assurances of its highest consideration.

Rome, 1 February 2008

**STATE OF IMPLEMENTATION OF THE
UNIDROIT WORK PROGRAMME 2006-2008
As of 15 January 2008**

I. Preparation of uniform law instruments

Subject	State of work
1. Transactions on Transnational and Connected Capital Markets	<p>(a) <i>Draft Convention on Substantive Rules regarding Intermediated Securities</i>: transmitted to Diplomatic Conference (Geneva, 1-13 September 2008), for adoption.</p> <p>(b) <i>Legislative Guide on Principles and Rules Capable of Enhancing Trading in Securities on Emerging Markets (= Item 2)</i>: approved by Governing Council and General Assembly but only very preliminary research conducted; project on hold until such time as resources will become available (foreseeable: after Diplomatic Conference, <i>supra</i> 1(a)). Study Group(s) to be set up.</p> <p>(c) <i>Items 3-5 as approved, but reformulated in light of Governments', Advisory Board's and industry's comments received in the meantime</i>, i.e. Convention on Netting in Financial Services; rights of foreign shareholders; corporate action processing (Article 8 draft Convention on Intermediated Securities as starting point). Study Group(s) to be set up.</p>
2. International Interests in Mobile Equipment – Cape Town Convention and industry specific protocols	<p>(a) <i>Convention and Aircraft Protocol</i>: in force (20 and 19 Contracting States); depositary functions (reporting, consulting) increasingly in demand; significant number of ratifications and accessions expected for 2008/2009.</p> <p>(b) <i>Rail Protocol</i>: signed by 4 States, at least four ratifications (i.e. entering into force) expected for 2008. <i>Future work</i>: promotion.</p> <p>(c) <i>Preliminary draft Protocol on Matters specific to Space Assets</i>: two sessions of a Committee of governmental experts held in 2003 and 2004; informal meetings of representatives of Governments in 2006 (London) and 2007 (New York); Steering Committee approved by the General Assembly at its 61st session (November 2007) to meet in May 2008; 3rd session of CGE planned for late 2008 – if successful diplomatic Conference to be envisaged in 2009.</p>
3. Model Law on Commercial Leasing	<p>2nd session of Committee of governmental experts to be held from 6 to 9 April 2008 in Muscat (Oman). Adoption by joint session of CGE and General Assembly in late 2008 expected.</p>
4. UNIDROIT Principles of International Commercial Contracts	<p>Working Group for the preparation of additional chapters held two sessions. Completion of enlarged edition expected for 2010.</p> <p><i>Future work</i>: promotion; in particular <i>cf. infra</i> II 1(b).</p>

II. Activities connected with legislative activities (outreach resources)

Subject	State of work
1. Programme of legal co-operation (for developing countries and countries in economic transition)	<p>a) <i>Research Scholarships Programme</i>: launched in 1993, this programme has enabled 185 researchers from 50 countries to pursue research at UNIDROIT. Identified as one of the priority outreach resources listed in the <i>Strategic Plan – Horizon 2016</i> (28 November 2003). Importance of the UNIDROIT Library.</p> <p>b) <i>Co-operation with the Organisation for the Harmonisation of Business Law in Africa (OHADA) for the preparation of a draft Uniform Act on Contracts</i>: transmission to OHADA (2004); submission to national committees (2006), ongoing consultations, most importantly Colloquium in Ouagadougou (Burkina Faso) (November 2007), imminent publication of Acts and Proceedings (financed by the Governments of Switzerland and Luxembourg as well as private donors)</p> <p><i>Future work</i>: follow-up activities requested by local partners.</p>
2. Promotion of UNIDROIT activities and instruments (in particular the Internet site)	Promotion by the Secretariat of UNIDROIT activities and of instruments concluded within the framework of the Institute with a view to securing their wider acceptance and application (for example legislative assistance, sponsorship and participation in national and international meetings, organisation of regional congresses). Important role of the UNIDROIT Internet site.
3. UNIDROIT publications	Dissemination of information concerning the unification of law: Uniform Law Review/Revue de droit uniforme, publication of international instruments prepared by UNIDROIT, Acts and Proceedings of congresses organised by UNIDROIT and of diplomatic Conferences for the adoption of UNIDROIT instruments, most recently Unidroit Guide to International Master Franchise Arrangements (2 nd edition, Rome 2007).
4. Data base on uniform law – UNILAW	Priority given to the creation of a database with relevant information on the Convention on the Contract for the International Carriage of Goods by Road (CMR) (in particular text, States parties, bibliography, case law). To-date, 369 cases relating to CMR have been made available, fully analysed and key-worded. Others are awaiting checking. Text of instruments, case law and bibliography regarding the law of transport, the Cape Town Convention, the 1995 Convention on Return of Stolen Cultural Objects will be available shortly.
5. Uniform Law Foundation	Contributes to costs associated with data base; funded three scholars to spend period of research at UNIDROIT; organised fund-raising event in Amsterdam.

APPENDIX III

***OUTSTANDING CONTRIBUTIONS IN RESPECT OF THE 2007 AND PREVIOUS FINANCIAL YEARS
IN EURO AS OF 15 FEBRUARY 2008***

	1999-2002	2003	2004	2005	2006	2007	TOTAL
Argentina		11,961.42	24,629.00	25,036.00			61,626.42
Bolivia	10,850.00	11,000.00	11,195.00	11,380.00	11,525.00	11,825.00	67,775.00
Iran						11,825.00	11,825.00
Lithuania						11,825.00	11,825.00
Nigeria						11,825.00	11,825.00
Uruguay		11,000.00	11,195.00	11,380.00	11,525.00	11,825.00	56,925.00
Venezuela						14,647.26	14,637.26
Total	10,850.00	33,961.42	47,019.00	47,796.00	23,050.00	73,772.26	236,438.68

APPENDIX IV

**STAFFING INFORMATION
(as of 31 December 2007)**

Member of staff	Position held	Nationality	Grade
John ATWOOD	Senior Officer	Australian	<i>Hors cadre</i>
Paolo AVERSA	Cashier/Treasurer	Italian	B5.3
Joachim BONELL	Scientific collaborator	Italian	Consultant
Isabelle DUBOIS	Secretary	Swiss	B4.2
Gioia GIORDANO	Assistant Librarian	Italian	B5.4
Françoise GHIN	Secretary	French	B4.3
Paula HOWARTH	Senior Officer	Canadian	A3.10 (Part-time)
Thomas KEIJSER*	Research Officer	Dutch	<i>Hors cadre</i>
Herbert KRONKE	Secretary-General	German	A7.6
Bettina MAXION	Law Librarian	German	B6.2
Frédérique MESTRE	Senior Officer	French	A3.11
Carla MILANI	Secretary	Swiss	B6.5
Stefano MUSCATELLO	Assistant Librarian	Italian	B5.2
Alfredo PANNONI	Lodge-keeper	Italian	C5.1
Lena PETERS	Senior Officer	Swedish	A3.10
Daniele SALLUSTRI	Administrative Assistant	Italian	C4.1
Marina SCHNEIDER	Senior Officer	French	A3.10
Patricia de SEUME	Secretary	British	B6.5
Martin STANFORD	Deputy Secretary-General	British	A4.11
Laura TIKANVAARA	Secretary	Finnish	B6.5 (Part-time)
Alessandra ZANOBETTI	Deputy Secretary-General	Italian	<i>Hors cadre</i>
Reza ZARDOSHTIAN	Library Assistant	Iranian	C5.2

* Contract expiring 30 September 2008